

## MONTHLY FACTSHEET

February 2017



ERECTED TO COMMEMORATE THE LANDING  
IN INDIA OF THEIR IMPERIAL MAJESTIES  
KING GEORGE V AND QUEEN MARY  
ON THE SECOND OF DECEMBER MCMXI

**Mutual Fund Investments Are Subject To Market Risks,  
Read All Scheme Related Documents Carefully.**

## Macro Economy & Event Update

- February saw markets around the globe gain mainly because of reassuring signs from the U.S. President on trade relations, finance industry policies, and infrastructure spending. U.S. markets grew with the conclusion of a meeting between the U.S. President and Japanese Prime Minister together with higher corporate earnings and upbeat economic data. European markets climbed as Greece and its creditors agreed to allow experts to work out structural reforms. Most of the major Asian markets gained after the U.S. President signed two directives to remove restrictions from the finance industry and indicated at maintaining positive relations with China.
- The Indian equity market got support in the post-budget period because of the focus on rural and infrastructure sectors. Corporate developments like share buyback and mergers along with improved quarterly earnings of some companies helped the market's gain.
- Bond yields saw the biggest monthly rise in more than 3 years after the Monetary Policy Committee (MPC) kept interest rates on hold and changed its stance from "accommodative" to "neutral". Indication by the U.S. Federal Reserve (Fed) chief of a near term rate hike also weighed on the market.
- Post demonetization, election results of five states will be at the centre of investors' attention. The results will decide the speed of reforms and future measures adopted by the government to support the economy. On the global front, the U.S. President's stance on its economic and fiscal policies will also remain in sharp focus. The upcoming Fed monetary policy review will also dictate market movement as the case of an interest rate hike in U.S. has strengthened. Further, the monetary policy review outcome of Bank of England and Bank of Japan will also be closely tracked.
- Bond yields in the coming months will be steered by the retail inflation trajectory, especially core inflation after the MPC projected that inflation may increase in the second half of the current fiscal and the Reserve Bank of India (RBI) Governor too expressed concerns regarding high core inflation. Furthermore, with issuance of SDLs and UDAY Bonds remaining high, bond yields are expected to trade in a range-bound manner as supply dynamics come into play. Besides, political developments in Europe, movement of the rupee against the greenback, stance adopted by foreign portfolio investors, and global crude oil prices could also influence the bond yields trajectory in the long run.

### Key Economic Indicators

Indicators	Current	Previous
WPI (Jan-17)	5.25%	3.39%
IIP (Dec-16)	-0.40%	5.70%
CPI (Jan-17)	3.17%	3.41%

Source: Reuters

## Event Update

### MPC keeps interest rates on hold

- MPC kept interest rates on hold in its sixth bi-monthly monetary policy review, contrary to market expectations and changed its policy stance from "accommodative" to "neutral". As a result, the repo rate stood unchanged at 6.25% and the reverse repo rate at 5.75%.
- Six members voted in favour of the monetary policy decision. MPC warned about the risks of high inflation. MPC identified these risks as emanating from increase in global crude oil prices, volatility in exchange rates on account of global financial market developments and the impact of the house rent allowances under the 7th Central Pay Commission (CPC) award.

### Underlying Story

- MPC projected inflation in the range of 4.0% to 4.5% in the first half of the fiscal and in the range of 4.5% to 5.0% in the second half. It also estimated the current account deficit to remain muted and below 1% of gross domestic product (GDP) in 2016-17. MPC expressed its commitment to bring down headline inflation closer to 4.0% on a sustainable and in a calculated manner.
- MPC lowered the GVA (Gross Value Added) growth forecast for 2016-17 at 6.9% from its earlier estimate of 7.1%. For 2017-18, GVA growth is estimated at 7.4%. MPC expects growth to recover sharply in 2017-18 on the back of revival in consumer, consumption and investment demand, and rapid restoration of economic activity in cash-intensive sectors following demonetisation. Furthermore, MPC is of view that the emphasis in the Union Budget 2017-18 on increasing capital expenditure, boosting the rural economy, and affordable housing would contribute to the economy's growth.

### India's third quarter GDP growth stood at 7.0%, while full year GDP for 2016-17 was projected at 7.1%

- India's GDP at constant prices grew 7.0% in the Dec quarter of 2016, slower than revised 7.4% rise in the previous quarter but better than 6.9% in the corresponding period of last year. The government projected that the economy will grow 7.1% in FY17, slowing from 7.6% in the previous financial year. Despite demonetisation, private final consumption expenditure accelerated to 10.1% YoY in third quarter from 5.1% in the prior quarter. The manufacturing sector, which was expected to be hit due to falling consumption demand following demonetisation, also grew 8.3% from 6.9% in the previous quarter.
- The impact of demonetisation was visible on the construction sector as its growth rate slowed to 2.7% during the period under review from 3.4% in the previous quarter and 3.2% in the same period of the previous fiscal. Growth in financial, real estate and professional services slowed to 3.1% in 3QFY17 from 7.6% in the previous quarter and 10.4% in the same quarter of the previous fiscal. Though deposits in banks swelled post demonetisation, growth came down due to drag on the real estate sector.

## Equity Market

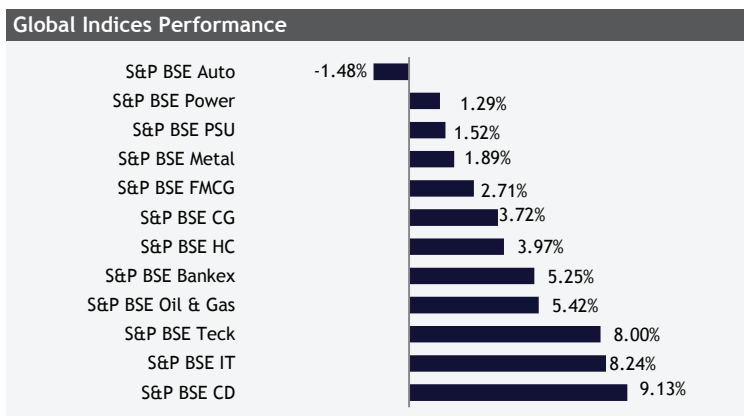
- The Indian equity market got support in the post-budget period as the finance minister in the Union Budget 2017-18 proposed to focus more on rural and infrastructure sectors. Investors welcomed the budget proposals by the finance minister as it did not mention about the long-term capital gains tax on equities and took measures to further liberalise FDI policy. Corporate announcements like share buyback and mergers along with improved quarterly earning numbers of some companies helped gains.
- However, gains were capped after MPC decided to maintain status-quo and changed the policy stance from 'accommodative' to 'neutral', warning about the risks of high inflation. It also lowered the GVA (Gross Value Added) growth forecast for 2016-17 at 6.9% from its earlier estimate of 7.1%. But concerns of rate hike by the U.S Federal Reserve limited the upside.
- Key benchmark indices, S&P BSE Sensex and Nifty gained 3.93% and 3.72% to close at 28,743.32 points and 8,879.6 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap moved up 5.40% and 5.84%, respectively.
- Post demonitization, state election results of five states will hog the limelight as it will decide the speed of reforms and future measures adopted by the government to support the economy. Investors will continue to wait for more clarity on U.S. President's policy stance. Market participants will closely watch U.S. Federal Reserve's policy rate decision.
- U.S. markets grew with the conclusion of a meeting between the U.S. President and Japanese Prime Minister that eased concerns over a possible trade war with Japan. Improved corporate earnings and upbeat economic data also boosted market sentiments. Investors turned confident from optimism around economic policies on infrastructure spending, foreign policy, and tax reforms of the U.S. President. However, gains were capped by the release of the latest Fed meeting's minutes and the unstable political situation in Europe, especially the probability of France's exit from the European Union or "Frexit".
- European markets climbed as Greece and its creditors agreed to allow experts to work out structural reforms for the country's labour market regulation, and tax and pensions systems. This lowered chances of disagreement between the government and its creditors, and eased concerns over Greece's probable exit from the euro area. Markets were also supported by the Bank of England's decision to continue with its record low interest rate policy, positive economic data, and upbeat corporate earnings results.
- Most of the major Asian markets gained after the U.S. President signed two directives to remove restrictions from the finance industry and indicated at maintaining positive relations with China. The U.S. President's meeting with the Japanese Prime Minister eased concerns over a possible trade war with Japan. Positive indication on China trade policy and uptick in some of the global peers further boosted sentiment.

Domestic Indices Performance				
Indicators	28-Feb-17	31-Jan-17	Chg %	YTD%
S&P BSE Sensex	28,743	27,656	3.93	8.08
Nifty 50	8,880	8,561	3.72	8.56
S&P BSE 200	3,859	3,701	4.26	9.66
Nifty Free Float Midcap 100	16,481	15,414	6.92	13.79
Nifty Dividend Opportunities 50	2,284	2,193	4.16	8.17
S&P BSE Smallcap	13,691	12,936	5.84	12.31

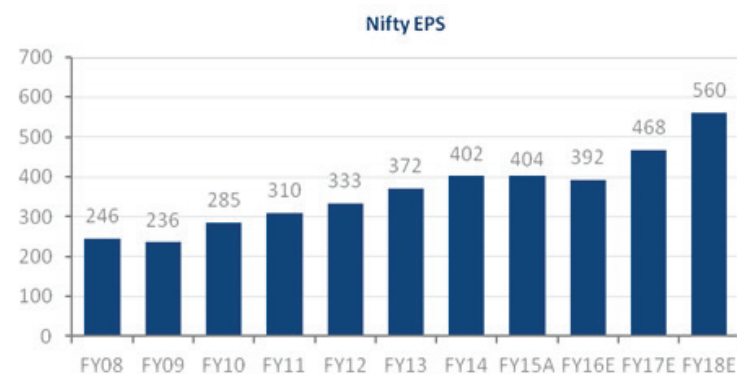
Source: Reuters

Global Indices Performance				
Global Indices	28-Feb-17	31-Jan-17	Chg %	YTD%
Dow Jones	20,812	19,864	4.77	4.68
FTSE	7,263	7,099	2.31	1.19
CAC	4,859	4,749	2.31	-0.49
Hang Seng	23,741	23,361	1.63	7.18
Shanghai	3,242	3,159	2.61	3.37

Source: Reuters



Source: Reuters



Institutional Flows (Equity) As on February 28, 2017				
(₹ Cr)	Purchases	Sales	Net	YTD
FII Flows	105,844	95,942	9,902	8,726
MF Flows	37,473	35,434	2,040	7,274
DII Flows	60,574	53,160	7,413	12,624

Source: CDSL & SEBI

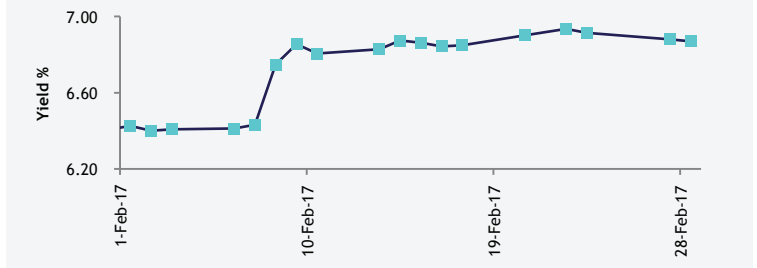
## Debt Market

- Bond yields witnessed the biggest monthly rise in more than three years after MPC kept interest rates on hold in its sixth bi-monthly monetary policy review on Feb 8 and changed its stance on monetary policy from accommodative to neutral. Indication by the U.S. Fed chief pointed to a near term rate hike in the U.S., which also weighed on market sentiment.
- Yield on the 10-year benchmark bond (6.97% GS 2026) surged 46 bps to close at 6.87% from the previous month's close of 6.41%. During the month, bond yields moved within a wide range of 6.38% to 6.95%.
- Yield on gilt securities surged across maturities in the range of 7 bps to 56 bps. Yield on corporate bonds also surged across maturities in the range of 20 bps to 50 bps. Spread between AAA corporate bond and gilt expanded across 1-, 2-, 3-, 6-, and 15-year papers in the range of 2 bps to 13 bps and closed steady on 9 and 10-year maturities. Spread on the remaining maturities contracted 2 bps each.
- Bond yields in the coming months will be dictated by the retail inflation trajectory, especially core inflation, after MPC projected that inflation may increase in the second half of the current fiscal and RBI governor too expressed concerns regarding high core inflation. Furthermore, with issuance of SDLs and UDAY Bonds remaining high, bond yields are expected to trade in a range-bound manner as supply dynamics come into play. The outcome and the guidance of the Fed's monetary policy review in Mar 2017 will also remain in sharp focus.

## Currency and Commodity Market

- The Indian rupee strengthened against the U.S. dollar following strong gains in the domestic equity market. Market sentiment improved further after lower than expected increase in U.S. hourly wages in Jan 2017 quelled worries of a near term rate hike by the U.S. Fed. However, renewed political uncertainty in the eurozone and dwindling Chinese foreign exchange reserves restricted gains.
- Brent crude prices witnessed volatility over the month before closing in the red. Prices were hurt as growing stockpiles in U.S. storage facilities counterbalanced the effects of the supply cut efforts by the Organization of the Petroleum Exporting Countries and other key exporters. Prices fell further after the Energy Information Administration projected U.S. crude output to rise 100,000 bpd to 8.98 million barrels in 2017, and then to jump by 550,000 bpd in 2018.

### 10-Year Benchmark Bond (6.97% GS 2026) Movement



Source: Reuters

### Spread Movement

Spreads		AAA	AA+	AA	AA-
28-Feb-17	1 Yr	48	73	96	128
	3 Yr	51	76	99	130
	5 Yr	42	65	90	116
31-Jan-17	1 Yr	35	55	82	110
	3 Yr	44	67	94	124
	5 Yr	44	67	91	122

Source: Reuters

Yield (%)	28-Feb-17	31-Jan-17
10 Year G-Sec	6.87	6.41
5 Year G-Sec	6.99	6.56

### Certificate of Deposit

	28-Feb-17	31-Jan-17
3-Month	6.31	6.43
6-Month	6.46	6.48
9-Month	6.56	6.51
12-Month	6.66	6.54

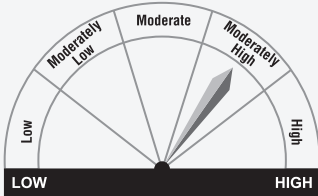
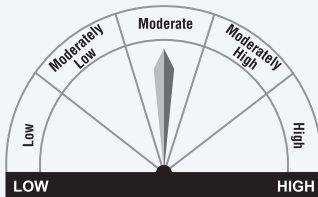
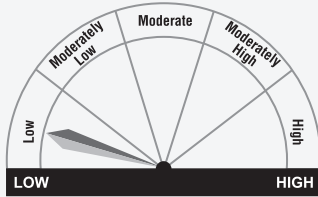
### Commercial Papers

	28-Feb-17	31-Jan-17
3-Month	6.84	7.08
6-Month	7.06	7.31
9-Month	7.20	7.40
12-Month	7.34	7.50

Source: Reuters

### Event Calendar

Release Date	Release Date	Country
9-Mar-17	ECB Monetary Policy Review	Euro Zone
10-Mar-17	Nonfarm Payrolls (Feb)	U.S.
15-Mar-17	U.S. Fed Monetary Policy Review	U.S.
16-Mar-17	Bank of Japan Monetary Policy Review	Japan
16-Mar-17	Bank of England Monetary Policy Review	U.K.

NAME OF THE SCHEME	THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING	RISKOMETER
<p><b>IIFL INDIA GROWTH FUND</b> (An open ended Equity Scheme)</p>	<p><b>THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*</b></p> <ul style="list-style-type: none"> <li>• Capital appreciation over long term;</li> <li>• Investment predominantly in equity and equity related instruments.</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Moderately High risk</p>
<p><b>IIFL DYNAMIC BOND FUND</b> (An open ended Income Scheme)</p>	<p><b>THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*</b></p> <ul style="list-style-type: none"> <li>• Income and long term gains</li> <li>• Investment in a range of debt and money market instruments of various maturities</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Moderate risk</p>
<p><b>IIFL LIQUID FUND</b> (An open ended Liquid Scheme)</p>	<p><b>THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*</b></p> <ul style="list-style-type: none"> <li>• Income over short term horizon</li> <li>• Investments in money market and short term debt instruments, with maturity not exceeding 91 days</li> </ul> <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>Investors understand that their principal will be at Low risk</p>

## Investment Objective

The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. However there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

## Fund Manager Mr. Prashasta Seth

Mr. Seth has over 16 years of experience in the financial services industry. He is an MBA from IIM Ahmedabad and B Tech from IIT Kanpur. His previous assignments include a stint in JP Morgan, London and heading Irevna (a Standard & Poor's company). Mr. Seth has been managing scheme since November 03, 2016.

## Fund Details

Date of Allotment : October 30, 2014

Bloomberg Code : IIFGRRG IN

Benchmark Index : Nifty 50

Plans Offered : Regular & Direct

Options Offered : Growth & Dividend

Minimum Application : ₹5,000 and in multiples of ₹100 thereafter

Monthly SIP Option : ₹1,000 per month for a minimum period of 6 months

Quarterly SIP Option: ₹1,500 per quarter for a minimum period of 4 quarters

Entry / Exit Load : NIL

Dematerialization : D-Mat Option Available

Portfolio Turnover : 82%

Ratio (based on 1 year monthly data)

## NAV as on February 28, 2017

Regular - Growth : ₹13.1007

Regular - Dividend : ₹11.5886

Direct - Growth : ₹13.4087

Direct - Dividend : ₹13.2374

## AUM as on February 28, 2017

Net AUM : ₹ 344.64 crore

Monthly Average AUM : ₹ 329.54 crore

## Expense Ratio

Regular Plan : 1.95% p.a

Direct Plan : 1.00% p.a

## Volatility Measures# Fund Benchmark

Std. Dev (Annualised)	NA	NA
Sharpe Ratio	NA	NA
Portfolio Beta	NA	NA
R Squared	NA	NA
Treynor	NA	NA

Note: #Since the scheme has not completed 3 years volatility measures has not been provided.

## Portfolio as on February 28, 2017

Company Name	% to Net Assets	Company Name	% to Net Assets
<b>Equity &amp; Equity Related Total</b>		<b>Pharmaceuticals</b>	<b>6.60</b>
<b>Automobile</b>	<b>5.41</b>	Sun Pharmaceuticals Industries Ltd.	6.60
Tata Motors - DVR - A - ORDY	5.41	<b>Power</b>	<b>5.52</b>
<b>Banks</b>	<b>13.98</b>	Power Grid Corporation of India Ltd.	5.52
Kotak Mahindra Bank Limited	6.62	<b>Services</b>	<b>3.96</b>
State Bank of India	3.76	Aditya Birla Nuvo Ltd.	3.96
The Federal Bank Limited	3.60	<b>Software</b>	<b>17.44</b>
<b>Consumer Non Durables</b>	<b>6.85</b>	HCL Technologies Ltd.	6.08
United Spirits Limited	3.95	Infosys Limited	5.14
Kansai Nerolac Paints Limited	2.90	Tech Mahindra Ltd.	5.04
<b>Finance</b>	<b>19.63</b>	Zensar Technologies Ltd.	1.18
Bajaj Finance Limited	5.48	<b>Telecom</b>	<b>5.36</b>
Muthoot Finance Limited	5.38	Idea Cellular Ltd.	5.36
Bajaj Finserv Limited	5.17	<b>Total Equity</b>	<b>90.79</b>
Cholamandalam Investment & Finance Company Ltd	2.04	CBLO	9.42
Equitas Holdings Ltd.	1.56	<b>Sub Total</b>	<b>100.21</b>
<b>Petroleum Products</b>	<b>6.04</b>	Net Receivables/(Payable)	-0.21
Castrol India Ltd.	6.04	<b>Portfolio Total</b>	<b>100.00</b>

## Scheme Performance

	30-Dec-15 to 30-Dec-16	30-Dec-14 to 30-Dec-15	Since Inception <sup>5</sup>	PTP (₹)
IIFL India Growth Fund - Regular Plan (G)	9.32%	1.82%	7.91%	11,799
IIFL India Growth Fund - Direct Plan (G)	10.09%	3.09%	8.99%	12,057
Benchmark*	3.01%	-4.06%	0.09%	10,020
Additional Benchmark**	1.78%	-5.03%	-1.22%	9,858

As on December 30, 2016; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000 made on the <sup>5</sup>inception 30-Oct-2014; \*Nifty 50; \*\* S&P BSE Sensex

## SIP - If you had invested ₹10,000 every month

	30-Dec-15 to 30-Dec-16	Since Inception
Total Amount Invested (₹)	1,20,000	2,60,000
Total Value as on Dec 30, 2016 (₹)	1,25,990	2,79,337
Returns	9.41%	6.53%
Total Value of Benchmark: Nifty 50 (₹)	1,21,039	2,58,363
Benchmark: Nifty 50	1.61%	-0.56%
Total Value of Additional Benchmark: S&P BSE Sensex (₹)	1,20,756	2,55,835
Additional Benchmark: S&P BSE Sensex	1.17%	-1.43%

(Inception date: 30-Oct-2014) (First Installment date: 01-Nov-2014)

Source: MFI Explorer; Above returns are calculated assuming investment of 10,000/- on the 1st working day of every month. CAGR return are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan -Growth option. The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital.

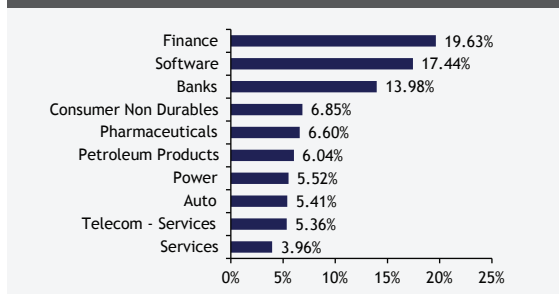
## Dividend Details

	Record Date	Face Value (₹)	Cum Dividend NAV (₹) As on Feb 15, 2017	Dividend Per Unit
Regular Plan	15-Feb-17	10	12.7777	1.50
Direct Plan	15-Feb-17	10	13.0738	0.17

## Top 10 Holdings Equity<sup>^</sup>

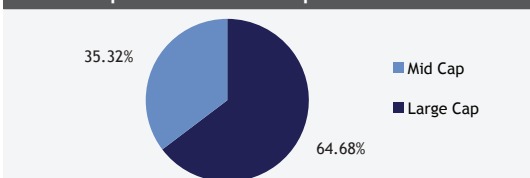
Issuer Name	% to NAV
Kotak Mahindra Bank Limited	6.62
Sun Pharmaceuticals Industries Limited	6.60
HCL Technologies Limited	6.08
Castrol India Limited	6.04
Power Grid Corporation of India Limited	5.52
Bajaj Finance Limited	5.48
Tata Motors Ltd DVR Shares	5.41
Muthoot Finance Limited	5.38
Idea Cellular Limited	5.36
Bajaj Finserv Limited	5.17
<b>Total</b>	<b>57.66</b>

## Sector Allocation<sup>^^</sup>



^^Industry allocation as per AMFI classification

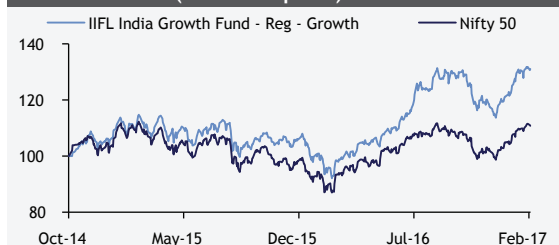
## Market Capitalisation wise Exposure<sup>^</sup>



Market Capitalisation includes only domestic listed Equity exposure in NSE. Large Cap Companies are top 100 stocks by market capitalisation on Nifty 500 Index and Mid Cap stocks are those between 101 to 400 stocks by market capitalisation and 401 to 500 being classified as Small cap.

<sup>^</sup>As on Feb 28, 2017

## NAV Movement (Since Inception) Rebased to 100



## Investment Objective

The investment objective of the scheme is to generate income and long term gains by investing in a range of debt and money market instruments of various maturities. The scheme will seek to flexibly manage its investment across the maturity spectrum with a view to optimize the risk return proposition for the investors.

## Fund Manager Mr. Ritesh Jain

Mr. Jain has over 18 years of experience in the Fixed Income markets with Morgan Stanley and Principal Mutual Fund. Prior to joining IIFL AMC, he was working for Pramerica Mutual Fund as Head -Fixed Income. He is a commerce graduate and has completed PGDBA in Finance from K.J.Somaiya Institute of Management Studies & Research, Mumbai. Mr. Jain has been managing the scheme since November 03, 2016

## Fund Details

**Date of Allotment** : June 24, 2013  
**Bloomberg Code** : IIFDBDBIN  
**Benchmark Index** : CRISIL Composite Bond Fund Index  
**Plans Offered** : Regular & Direct  
**Options Offered** : Growth & Dividend  
**Minimum Application Amount** : ₹10,000 and in multiples of ₹100 thereafter  
**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months  
**Quarterly SIP Option** : ₹1,500 per quarter for a minimum period of 4 quarters  
**Entry / Exit Load** : Nil  
**Dematerialization** : D-Mat Option Available  
**Asset Allocation** :  
 Debt Market Instruments : 0% to 100%  
 Money Market Instruments : 0% to 100%

## NAV as on February 28, 2017

**Regular Plan Growth** : ₹12.8724  
**\*Regular Plan Bonus** : ₹12.8724  
**Regular Quarterly Dividend** : ₹12.4217  
**\*Regular Half Yearly Dividend** : ₹12.4217  
**\*Regular Monthly Dividend** : ₹11.1974  
**Direct Plan Growth** : ₹13.1124  
**Direct Monthly Dividend** : ₹11.4262

\*Note: Bonus plan and Monthly & Half yearly Dividend payout options are discontinued no new investors can invest in the said option ,existing investors remain invested in the said options.

## AUM as on February 28, 2017

**Net AUM** : ₹16.91 crore  
**Monthly Average AUM** : ₹17.87 crore

## Expense Ratio

**Regular Plan** : 0.94% p.a.  
**Direct Plan** : 0.44% p.a.

## Statistical Debt Indicators

**Modified Duration** : 1.41 Years  
**Average Maturity** : 1.90 Years  
**Yield to Maturity** : 6.74%

## Portfolio as on February 28, 2017

Name of the Instrument	Rating	% to Net Assets
<b>Debt Instruments</b>		
<b>Non-Convertible Debentures/Bonds</b>		
9.00% State Bank of India	CRISIL AA+	11.94
9.10% Dewan Housing Finance Corporation Ltd.	CARE AAA	11.79
7.60% ICICI Bank Limited	ICRA AAA	11.63
<b>CBLO / Reverse Repo</b>		
CBLO		62.57
<b>Sub Total</b>		
		<b>97.93</b>
Net Receivables/(Payable)		2.07
<b>Portfolio Total</b>		
		<b>100.00</b>

## Dividend Declared - Monthly Dividend Plan

Date	Gross Dividend (₹) (Per Unit)	Regular Plan (₹) (Cum Dividend)	Direct Plan (₹) (Cum Dividend)
28-Feb-17	0.05	11.1974	11.4262
31-Jan-17	0.05	11.2393	11.4635
30-Dec-16	0.05	11.1969	11.4143

## Quarterly Dividend Plan

06-Apr-15	0.4	11.4678	11.5708
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## Half Yearly Dividend Plan

06-Apr-15	0.4	11.4678	-
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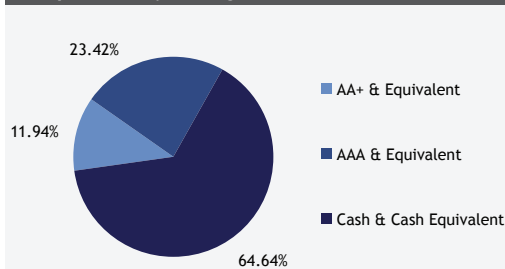
Dividend is gross dividend. To arrive at the net dividend payable for corporate and non-corporate investors applicable dividend distribution tax, if any, needs to be adjusted respectively. Past performance may or may not be sustained in future. After payment of dividend the NAV has fallen to the extent of payout and distribution taxes if applicable. Monthly Dividend is not assured and is subject to availability of distributable surplus.

## Scheme Performance

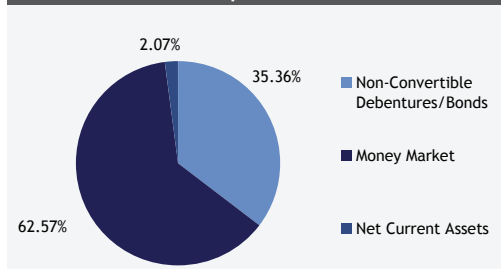
	30-Dec-15 to 30-Dec-16	30-Dec-14 to 30-Dec-15	30-Dec-13 to 30-Dec-14	Since Inception <sup>5</sup>	PTP (₹)
IIFL Dynamic Bond Fund - Regular plan (G)	7.83%	6.34%	15.31%	7.12%	12,740
IIFL Dynamic Bond Fund - Direct Plan (G)	8.38%	6.87%	15.89%	7.70%	12,984
Benchmark (B)*	12.94%	8.63%	14.31%	9.59%	13,805
Additional Benchmark (AB)**	14.86%	7.58%	14.29%	8.18%	13,191

As on December 30, 2016; \* Crisil Composite Bond Fund Index, \*\* Crisil 10yr Gilt Index; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000 made on the inception date 24-June-2013

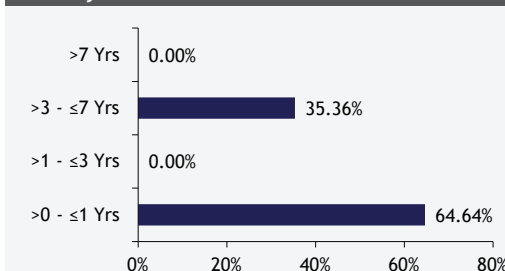
## Composition by Rating<sup>^</sup>



## Instrument Wise Composition<sup>^</sup>

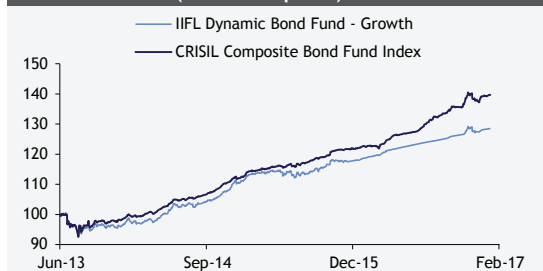


## Maturity Profile<sup>^</sup>



<sup>^</sup>As on Feb 28, 2017

## NAV Movement (Since Inception) Rebased to 100



## Investment Objective

To provide liquidity with reasonable returns commensurate with low risk through a portfolio of money market and debt securities with residual maturity of up to 91 days. However, there can be no assurance that the investment objective of the scheme will be achieved.

## Fund Manager Mr. Ritesh Jain

Mr. Jain has over 18 years of experience in the Fixed Income markets with Morgan Stanley and Principal Mutual Fund. Prior to joining IIFL AMC, he was working for Pramerica Mutual Fund as Head -Fixed Income. He is a commerce graduate and has completed PGDBA in Finance from K.J.Somaiya Institute of Management Studies & Research, Mumbai. Mr. Jain has been managing the scheme since November 03, 2016

## Fund Details

Date of Allotment : November 13, 2013

Benchmark Index : CRISIL Liquid Fund Index

Plans Offered : Regular & Direct

Options Offered : Growth & Dividend

### Minimum Application:

New Purchase : ₹5,000 and in multiples of ₹100 thereafter

Additional Purchase : ₹1,000 and in multiples of ₹100 thereafter

Entry / Exit Load : NIL

Dematerialization : D-Mat Option Available

Asset Allocation : Money Market and debt instruments with residual maturity up to 91 days 0% to 100

## NAV as on February 28, 2017

Regular Plan Growth : ₹1278.4377

Regular Plan Weekly Dividend : ₹1005.0000

Regular Plan Daily Dividend: ₹1000.0246

Direct Plan Growth : ₹1280.5541

Direct Plan- Dividend : ₹1000.0246

Reinvestment-Daily

## AUM as on February 28, 2017

Net AUM : ₹146.06 crore

Monthly Average AUM : ₹189.99 crore

## Expense Ratio

Regular Plan : 0.25% p.a.

Direct Plan : 0.20% p.a.

## Statistical Debt Indicators

Modified Duration : 0.53 Months

Average Maturity : 0.56 Months

Yield to Maturity : 6.35%

## Portfolio as on February 28, 2017

Name of the Instrument	Rating	% to Net Assets	Name of the Instrument	Rating	% to Net Assets
<b>Debt Instruments</b>					
<b>Certificate of Deposit</b>		<b>44.37%</b>			
Axis Bank Limited	CRISIL A1+	10.22%	Housing Development Finance Corporation Limited	ICRA A1+	6.80%
ICICI Bank Limited	ICRA A1+	6.84%	Sundaram BNP Paribas Home Finance Ltd	ICRA A1+	3.42%
State Bank of Hyderabad	ICRA A1+	6.83%	Small Industries Dev Bank of India	CARE A1+	3.42%
IndusInd Bank Limited	CRISIL A1+	6.83%	Small Industries Dev Bank of India	CARE A1+	3.42%
Small Industries Dev Bank of India	CRISIL A1+	6.81%	Can Fin Homes Limited	ICRA A1+	3.41%
IDFC Bank Limited	ICRA A1+	3.42%	Dewan Housing Finance Corporation Limited	CRISIL A1+	3.41%
Axis Bank Limited	CRISIL A1+	3.42%	<b>CBLO / Reverse Repo</b>		<b>7.32%</b>
<b>Commercial Paper</b>		<b>47.77%</b>	CBLO		7.32%
Bajaj Finance Limited	CRISIL A1+	10.21%	<b>Sub Total</b>		<b>99.46%</b>
Family Credit Ltd	CARE A1+	6.84%	<b>Net Receivables/(Payables)</b>		<b>0.54%</b>
Shapoorji Pallonji and Company Private Ltd	ICRA A1+	6.84%	<b>Portfolio Total</b>		<b>100.00%</b>

## Scheme Performance

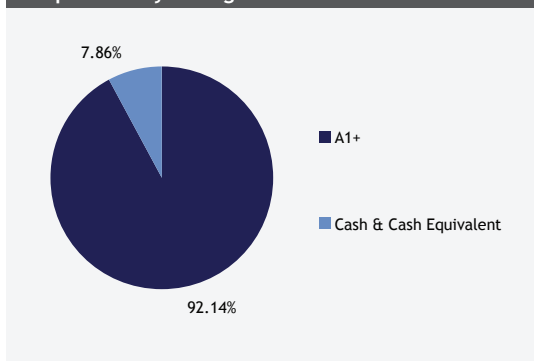
	30-Dec-15 to 30-Dec-16	30-Dec-14 to 30-Dec-15	Since Inception <sup>§</sup>	PTP (₹)
IIFL Liquid Fund-Regular plan (G)	7.19%	7.79%	7.81%	12,656
IIFL Liquid Fund-Direct plan (G)	7.25%	7.84%	7.86%	12,675
Benchmark*	7.50%	8.23%	8.35%	12,856
Additional Benchmark**	6.94%	8.11%	8.09%	12,760

As on December 30, 2016 \* Crisil Liquid Fund Index,\*\* Crisil 91 Day T-Bill Index

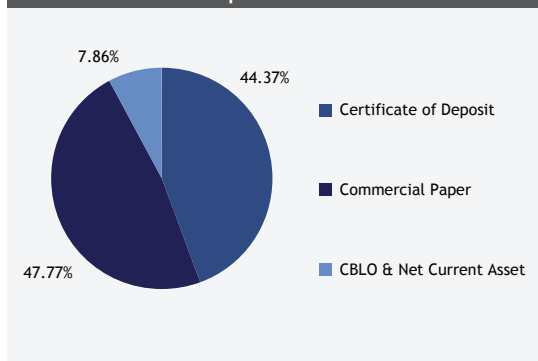
Point to Point (PTP) returns in ₹ is based on standard investment of ₹ 10,000 made on the inception date

<sup>§</sup>Inception date 13-Nov-2013

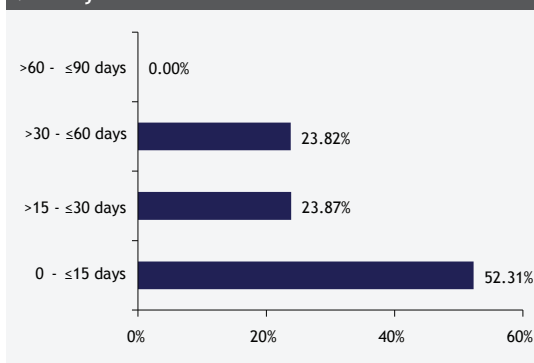
## Composition by Rating<sup>^</sup>



## Instrument Wise Composition<sup>^</sup>

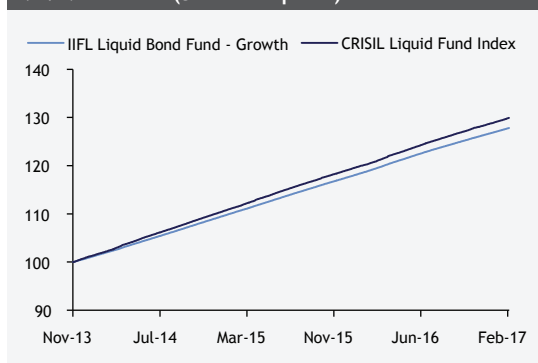


## Maturity Profile<sup>^</sup>



<sup>^</sup>As on Feb 28, 2017

## NAV Movement (Since Inception) Rebased to 100





## GLOSSARY OF TERMS

<b>FUND MANAGER</b>	An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.
<b>APPLICATION AMOUNT FOR FRESH SUBSCRIPTION</b>	This is the minimum investment amount for a new investor in a mutual fund scheme.
<b>MINIMUM ADDITIONAL AMOUNT</b>	This is the minimum investment amount for an existing investor in a mutual fund scheme.
<b>YIELD TO MATURITY</b>	The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.
<b>SIP</b>	SIP or systematic investment plan works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for an SIP that invests ₹ 500 every 15th of the month in an equity fund for a period of three years.
<b>NAV</b>	The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund.
<b>BENCHMARK</b>	A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmarks include the Nifty, Sensex, BSE200, BSE500, 10-Year Gsec.
<b>ENTRY LOAD</b>	A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchases the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is ₹ 100 and the entry load is 1 %, the investor will enter the fund at ₹ 101.
<b>EXIT LOAD</b>	Exit load is charged at the time an investor redeems the units of a mutual fund. The exit load is deducted from the prevailing NAV at the time of redemption. For instance, if the NAV is ₹ 100 and the exit load is 1%, the redemption price would be ₹99 per unit.
<b>MODIFIED DURATION</b>	Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.
<b>STANDARD DEVIATION</b>	Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.
<b>SHARPE RATIO</b>	The Sharpe Ratio, named after its founder, the Nobel Laureate William Sharpe, is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.
<b>BETA</b>	Beta is a measure of an investment's volatility vis-a-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.
<b>AUM</b>	AUM or assets under management refers to the recent I updated cumulative market value of investments managed by a mutual fund or any investment firm.
<b>HOLDINGS</b>	The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.
<b>NATURE OF SCHEME</b>	The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.
<b>RATING PROFILE</b>	Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.

Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.